



HF 2379 – Driving Without a License, Vehicle Impoundment (LSB5119HV)
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Fiscal Note Version – New

Description

Under [House File 2379](#), a law enforcement agency may impound a motor vehicle operated by an individual with a driver's license or operating privilege that has been denied, canceled, suspended, or revoked (Iowa Code section [321.218](#)). The period of impoundment for the initial offense will be seven days. The period of impoundment for each offense will double. At the end of the period of impoundment, the vehicle owner must pay the cost of the impoundment, not to exceed \$25 per day. Law enforcement agencies may also charge an additional fee for an individual to retrieve the vehicle.

Additional provisions:

- After the period of impoundment, the owner has 30 days to claim the vehicle and pay the cost of impoundment. If the cost of impoundment is unpaid 30 days after the end of the impoundment period the vehicle is subject to forfeiture.
- Upon conviction, the court may order the continued impoundment of the vehicle.
- Upon the receipt of a court order to impound a vehicle, the impounding authority will determine if the costs of impoundment exceed the actual wholesale value of the vehicle. If the impoundment cost exceeds the value of the vehicle, the agency may treat the vehicle as abandoned (Iowa Code section [321.89](#)). Abandoned vehicles may be subject to auction.
- During the period of impoundment, the owner of the vehicle may not transfer title or sell the vehicle.
- Provides for the return of the motor vehicle without payment of the impoundment costs under certain circumstances.

New crimes:

- An individual that sells or transfers title of an impounded vehicle is guilty of a serious misdemeanor.
- A vehicle owner that allows an individual with a denied, canceled, suspended, or revoked license to operate a vehicle is guilty of a simple misdemeanor, if the owner is aware or should be aware of the suspended license.
- Operating a vehicle that is subject to an impoundment order is a serious misdemeanor. Vehicles that are operated while subject to an impoundment order will be seized and forfeited.

Background

Current law has provisions that allow for the impoundment of vehicles related to operating while intoxicated offenses. Provisions outlining existing impoundment procedures related to operating while intoxicated are contained in Iowa Code section [321J.4B](#). Typically, a law enforcement agency will contract with a local business to store impounded vehicles. Costs associated with the vehicle impoundment are paid to the business that held the vehicle in addition to any fees that may be due to the law enforcement agency to release the vehicle. However, not all law enforcement agencies charge a fee to release a vehicle from impoundment. In FY 2015, 11,689 convictions for driving with a suspended or revoked license that had a safety-related suspension were issued to 10,719 individuals. Therefore, 970 convictions were for repeat offenders.

Table 1 displays the top 10 agencies that issue tickets under Iowa Code section [321.218](#). **Table 1** also displays administrative fees charged by the agency to release the vehicle that are in addition to fees owed to the impoundment lot, and the agency's share of all tickets issued in Iowa.

Table 1

Top Ten Law Enforcement Agencies Issuing Convictions Under Iowa Code section 321.218			
Arresting Agency Name	Convicted	Agency Admin. Fee	Statewide Share
Des Moines Police Department	875	\$ 20	7.5%
Iowa State Patrol District 1	464	-	4.0%
Polk County Sheriff	445	20	3.8%
Cedar Rapids Police Department	392	500	3.4%
Davenport Police Department	365	20	3.1%
Iowa State Patrol	356	-	3.0%
Iowa City Police Department	295	-	2.5%
Dubuque Police Department	261	20	2.2%
Burlington Police Department	254	-	2.2%
Sioux City Police Department	243	35	2.1%
Urbandale Police Department	243	20	2.1%

Minority Impact

This bill creates new penalties in addition to existing violations of Iowa Code section [321.218](#). **Table 2** shows FY 2015 offender-based convictions for violation of this Iowa Code section.

Table 2

	Convictions	Percent
Caucasian	6,687	62.4%
African American	2,018	18.8%
Hispanic	423	3.9%
Native American	51	0.5%
Asian	79	0.7%
Other	120	1.1%
Unknown	1341	12.5%

Corrections Information

This bill creates new offenses subject to serious misdemeanor penalties. These are nonviolent crimes. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Correctional Impact Statements](#) for estimates of criminal justice system costs for criminal penalties.

Assumptions

- An additional 11,689 vehicles per year will be eligible for impoundment due to [HF 2379](#). The number of additional vehicles that will be impounded is unknown.
- Law enforcement agencies will collect additional administrative fees associated with releasing impounded vehicles, however, not all agencies charge administrative fees, the fees collected are not centrally reported, and fee amounts vary. The number of fees paid and the average fee amount are unknown.

- The number of vehicles that may be forfeited or abandoned due to changes in [HF 2379](#) is unknown.
- Vehicle forfeitures may increase, but the number is unknown.
- The Department of Transportation (DOT) may receive additional impoundment orders from the Judicial Branch, but that number is unknown.
- Offenders convicted of a serious misdemeanor will not be supervised at a high level.
- Impacts on minority groups will match violations of Iowa Code section [321.218](#) outlined in **Table 2**.

Summary of Impacts

Correctional Impact

The correctional impact cannot be determined because this bill creates new crimes. The average state cost for one simple misdemeanor conviction ranges from \$30 to \$330. The average state cost for one serious misdemeanor conviction ranges from \$220 to \$5,800.

Minority impact

The bill is expected to have a minority impact. African Americans represent 3.3% of Iowa's population and 18.8% of convictions for violation of Iowa Code section [321.218](#).

Fiscal Impact

The fiscal impact for state agencies is expected to be minimal. However, the DOT may be required to dedicate additional staff to process impoundment orders issued by the court.

The amount of fees collected by law enforcement agencies is unknown. The top 10 agencies that issued citations under Iowa Code section [321.218](#) accounted for 35.9% of all convictions. These agencies will level an additional \$248,000 in impoundment administrative fees, but will not collect 100.0% of fees. The number of unpaid fees and revenues that may result from the forfeiture and abandonment of vehicles is unknown. The amount of fees assessed by the remaining state law enforcement agencies is unknown, but will account for 64.1% of vehicles that will be subject to impoundment under [HF 2379](#).

Sources

Criminal and Juvenile Justice Planning
Department of Corrections
Department of Transportation

/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the LSA upon request.
